

APPROVED MINUTES

Housing and Redevelopment Authority in and for the City of Bloomington

1800 West Old Shakopee Road
Bloomington, Minnesota 55431

Tuesday, September 8, 2015
5:30 PM
Dakota Conference Room

- 1 **Call to Order** Chairman Thorson called the meeting to order at 5:34 p.m.

Present: Commissioners Thorson, Fossum, Carlson, Lewis, Coulter
Staff: Grout, Hartman, Zimmerman
Guests: Keith Ulstad, United Properties; Stuart Nolan and
Ryan Dunlay, StuartCo.
- 2 **Approval of Agenda** M/Coulter, S/Fossum to approve the agenda. Motion carried, 4-0.
- 3 **Approval of Minutes**
- 3.1 **Approval of Minutes - August 25, 2015** M/Carlson, S/Coulter to approve the minutes of the August 25, 2015 HRA Board meeting as published. Motion carried, 3-0 with Fossum abstaining.
- 4 **Unfinished or Organizational Business** None.
- 5 **New Business**
- 5.1 **Public Hearing and Approval of 2016 Agency Plan and Section 8 Administrative Plan** Hartman explained that the U.S. Department of Housing and Urban Development requires submission of an annual Agency Plan and Section 8 Administrative Plan.

(Lewis arrived at 5:36 p.m.)

Hartman pointed out one change to the Section 8 Administrative Plan addressing removal of disabled applicants from the waiting list. The plan now includes language that a request for reasonable accommodation may be made by the applicant if it is within 12 months of removal from the waiting list.

A 45-day comment period was held and resulted in two responses, one of which was a letter from Legal Aid addressing issues on the document. Approval of the plans will be postponed until staff has had time to review and address those comments.

Thorson opened the public hearing. With no one in attendance to address the Board, the public hearing was closed.

Staff will review the comments from Legal Aid and bring this item back prior to the October 15 submission deadline.

5.2 Preliminary HRA Budget for 2016 and Resolution Setting Proposed Tax Levy for 2016

Hartman presented the 2016 preliminary budget and proposed levy. The deadline to submit the proposed levy to Hennepin County is September 15, 2016. Staff is proposing to set the levy at the maximum allowed by state statute. Levy funds are typically routed into the Redevelopment Fund for larger projects and for general HRA activities; however, 2016 funds will include other areas such as neighborhood housing programs.

M/Lewis, S/Coulter recommending approval of the 2016 preliminary HRA budget and resolution setting the proposed tax levy for 2016. Motion carried, 5-0.

5.3 Penn American District Peerless Land Site Concept Presentation

Grout introduced Keith Ulstad from United Properties and Stuart Nolan and Ryan Dunlay from StuartCo. They discussed with the Board the potential purchase and redevelopment of the four Peerless Land parcels on the east side of the Penn American district. The deadline for closing on the properties is February 1, 2016. They are currently looking at viable options for the parcels which could include affordable and market rate rental housing.

5.4 Action Items

City Council Action

Grout explained that staff is requesting approval to begin the process of amending the budget for the Penn American Tax Increment Financing (TIF) district. The budget currently allows the HRA to collect no more than \$5.9 million in increment, which was the previous projection for this district over its eight-year life. Research by the Assessing Department now shows that repayment from the district could result in over \$7 million. Grout noted that amending the budget to allow collection of more money could reimburse the HRA for TIF-eligible costs already incurred and would go into the Redevelopment Fund. The TIF district includes Phases I and II of the Penn American district. The budget amendment requires HRA as well as City Council approval.

M/Carlson, S/Coulter approving staff to proceed with the process of amending the TIF budget for the Penn American TIF district. Motion carried, 5-0.

Program Update

Hartman stated staff received an offer of \$95,000 for the HRA-owned lot at 10040 Pleasant Avenue. The asking price is \$109,000. Staff reviewed current economic and market conditions and rejected the offer.

Cleanup of the lot on Penn Avenue is not yet completed.

6 Adjournment

M/Lewis, S/Coulter to adjourn the meeting. Motion carried, 5-0. The meeting adjourned at 7:00 p.m.